

Message Text

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ACTION EB-07

INFO OCT-01 ARA-14 EUR-12 IO-14 ISO-00 FEA-01 AGRE-00

CEA-01 CIAE-00 COME-00 DODE-00 FRB-01 H-02 INR-07

INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-02 EPG-02

AID-05 SS-15 STR-04 ITC-01 TRSE-00 USIA-15 PRS-01

SP-02 OMB-01 /125 W

-----075642 161011Z /23

R 151850Z JUL 77

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC 2765

INFO AMEMBASSY BOGOTA

AMEMBASSY LONDON

AMCONSUL SAO PAULO

AMCONSUL RIO DE JANEIRO

USMISSION GENEVA

UNCLAS BRASILIA 5846

E.O. 11652: N/A

TAGS: EAGR, BR, CO

SUBJECT: PRESS COVERAGE OF COLOMBIAN DECISION TO LOWER MINIMUM
EXPORT REGISTRATION PRICE FOR COFFEE AND COLOMBIAN CHARGES
OF BRAZILIAN COFFEE MANEUVERING

1. SUMMARY: BRAZILIAN PRESS GAVE PROMINENT COVERAGE TO GOC'S LOWERING
OF MINIMUM EXPORT REGISTRATION PRICE FOR COFFEE AND GOC MINISTER OF
AGRICULTURE'S STATEMENT THAT BRAZIL'S MARKET INTERVENTIONS WERE
CAUSING "ANARCHY" IN THE WORLD COFFEE MARKETS. GOB FINANCE
MINISTER, MINSTER OF INDUSTRY AND COMMERCE, AND PRESIDENT OF IBC
HAVE ALL PUBLICLY REFUTED GOC MINISTER OF AGRICULTURE'S CHARGE
AND SUPPORTED CURRENT BRAZILIAN MINIMUM EXPORT REGISTRATION PRICE.
END SUMMARY.

2. MAJOR BRAZILIAN NEWSPAPERS CARRIED ARTICLES JULY 13 AND 14 ON
GOC'S DECISION TO LOWER THE MINIMUM EXPORT REGISTRATION PRICE FOR
COFFEE AND GOC MINISTER OF AGRICULTURE ARAUJO NOGUEIRA'S CHARGES
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THAT BRAZIL'S INTERVENTIONS IN THE WORLD COFFEE MARKETS WERE
DISRUPTIVE. ESTADO DE SAO PAULO OF JULY 13 QUOTED ARAUJO
NOGUEIRA AS SAYING THAT "THE COFFE MARKET IS IN ANARCHY
BECAUSE OF THE SPECULATIVE MANEUVERS OF CONSUMING COUNTRIES
AND THOSE OF SOME PRODUCERS, SUCH AS BRAZIL WHICH IS ATTEMPTING
TO CONTINUE TO SELL COFFEE FOR MORE THAN US\$3/LB." A SIMILAR
STORY APPEARED IN THE JULY 13 JORNAL DE BRASILIA.

3. GOB WAS QUICK TO DENY COLOMBIAN CHARGES. FINANCE MINISTER SIMONSEN, MINISTER OF INDUSTRY AND COMMERCE CALMON DE SA, AND IBC PRESIDENT CALAZANS WERE ALL REPORTED BY THE PRESS OF JULY 13/14 AS DENYING THAT BRAZIL WAS CAUSING DISORGANIZATION IN THE WORLD COFFEE MARKETS. FOR INSTANCE, ACCORDING TO STORY IN THE JULY 14 JORNAL DE BRASILIA, CALMON DE SA SAID THAT "BRAZIL DID NOT CONSIDER ITSELF INCLUDED IN (THE COLOMBIAN) CRITICISM."

4. IN REGARD TO COLOMBIA'S NEW MINIMUM EXPORT REGISTRATION PRICE, CALAZANS SAID (REPORTED IN JULY 13 ESTADO DE SAO PAULO) THAT "COLOMBIA CAN LOWER ITS MINIMUM EXPORT REGISTRATION PRICE WHENEVER IT WANTS TO, BUT BRAZIL WILL KEEP ITS WON PRICE (US \$3.20/LB). WE HAVE NO INTENTION OF LOWERING OUR MINIMUM EXPORT REGISTRATION PRICE." THIS POSITION WAS ALSO SUPPORTED BY SIMONSEN AND CALMON DE SA.

5. JORNAL DE BRASILIA OF JULY 13 ALSO REPORTED THAT COLOMBIA WILL CONTINUE TO PUSH FOR A NEW COFFEE AGREEMENT PROVIDING FOR "FAIR AND STABLE PRICES," AS ORIGINALLY PROPOSED LAST FEBRUARY BY GOC PRESIDENT LOPEZ MICHELSON IN A LETTER TO GOB PRESIDENT GEISEL. ACCORDING TO THIS STORY, COLOMBIA IS PROPOSING US\$2/LB AS THE PRICE THAT WOULD BE REMUNERATIVE TO PRODUCERS AND ACCEPTABLE TO CONSUMERS.

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, COFFEE, INTERVENTION, MARKETS, EXPORT PRICES, PRICE FIXING
Control Number: n/a
Copy: SINGLE
Sent Date: 15-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Enclosure: n/a
Executive Order: N/A
Errors: N/A
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Handling Restrictions: n/a
Image Path:
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Legacy Key: link1977/newtext/t19770755/aaaabuww.tcl
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Litigation History:
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Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1853231
Secure: OPEN
Status: NATIVE
Subject: PRESS COVERAGE OF COLOMBIAN DECISION TO LOWER MINIMUM EXPORT REGISTRATION PRICE FOR COFFEE AND COLOMBIAN CHARGES OF BRAZILIAN COFFEE MANEUVERING
TAGS: EAGR, SOPN, ETRD, BR, CO, XX
To: STATE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/487a4a6b-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009